

**GASB 34 DISCUSSION GROUP CONFERENCE CALL**  
**Thursday, May 29, 2003 9:00 a.m. – 11:00 a.m.**

Attendees: Joan Anderson, OPI  
Denise Ulberg, OPI  
Mike Waterman, OPI  
Jim Oberembt, CPA  
Susan Rose, CPA (Galusha, Higgins, & Galusha)  
Kim Dare, CPA (Galusha, Higgins, & Galusha)  
Rick Reisig, CPA (Hamilton, Misfeldt)

**I. Allocating Revenues:**

Susan Rose asked about how revenues (charges for services and operating grants) should be allocated to the functions if the funds were spent in more than one function area. OPI recommends prorating the revenue based on the percentage of related expenditures. For example:

Assume the state special education entitlement is \$100,000

Assume the special education expenditures are as follows:

Instruction	150,000
Pupil Services	20,000
Instructional Staff Services	10,000
Transportation	<u>10,000</u>
Total	190,000

Revenue would be prorated as follows:

Instruction	$150,000/190,000 = 79\% \times 100,000 =$	79,000
Pupil Services	$20,000/190,000 = 11\% \times 100,000 =$	11,000
Instructional Staff Services	$10,000/190,000 = 5\% \times 100,000 =$	5,000
Transportation	$10,000/190,000 = 5\% \times 100,000 =$	<u>5,000</u>
Total		100,000

**II. Depreciation Schedules**

**1. Schedule of Changes in Fixed Assets, Depreciation and Net Fixed Assets.**

OPI intends to replace Fund 198 GFAAG with this schedule on the FY04 Trustees Financial Summary (TFS). No changes were made.

**2. Fixed Assets Depreciation Schedule.**

OPI intends to include this form as part of the School Accounting Manual (SAM). The group decided that an additional row for Construction in Progress should be added and other minor changes were made. Shade cells for depreciation in Land and Construction in Progress categories.

3. Schedule of Fixed Assets Additions.

OPI intends to include this form as part of the SAM. The group decided that an additional column for Salvage Value should be added and the Comments column should be changed to “Depreciable Cost”. Also add a row for Construction in Progress.

4. Fixed Assets Removals.

OPI intends to include this form as part of the SAM. Add a row for Construction in Progress.

III. Schedule of Changes in Long-Term Liabilities.

OPI intends to replace Fund 199 GLTDAG with this schedule on the FY04 Trustees Financial Summary (TFS). The group decided that the row for Bank Loan should be removed, the Payments column should be renamed Principal Payments and the description for bonds should be indented under the General Obligation Bonds heading.

IV. Capital Assets, Net of Related Debt.

There was discussion about how the fixed assets schedule or the long-term liabilities schedule could include debt related to fixed assets. The group decided that this would be left off of the TFS for now.

V. Next conference call

1. Scheduled for **Friday, June 27 at 9:00 a.m. to 11:00 a.m.**

2. Topics

- a. Review Depreciation and Long-Term Liabilities schedules second draft.
- b. Other – contact Denise Ulberg to add to the agenda.